

GOOD · 18.9% MARGIN

\$1M-\$5M PROJECT

#1 · 107 EDENBURGH ROAD, RALEIGH NC 27608

0.26 ac cleared infill lot, Budleigh neighborhood Raleigh — MLS #10172565, across from Carolina Country Club

LIST PRICE	\$479,000	ACREAGE	0.26 acres (cleared, surveyed)
MLS	Triangle MLS #10172565 — Active (last updated Aug 7, 2026)	ZONING	R-6 Residential, City of Raleigh inside beltline
UTILITIES	Public water, public sewer, electricity — all confirmed at street	SUBDIVISION	Budleigh — no HOA covenants noted; verify recorded plat
NEIGHBORHOOD	Directly across from Carolina Country Club; adjacent Copper Builders custom home recently completed	STRATEGY	Build 3,600 SF luxury custom home at \$140/SF builder cost; \$470/SF ARV base, \$500/SF upside
OUT-OF-POCKET CASH	\$349,125 (equity + land closing + loan closing + carry)	FINANCED	\$904,860 construction loan (~75% of project)
MODELED	3,600 SF luxury grade; builder cost \$140/SF; \$470/SF ARV = \$1,692,000 base; \$500/SF = \$1,800,000 upside		

PROJECT COST	GROSS REVENUE	NET PROFIT	MARGIN	MAX OFFER (20%)
\$1.25M	\$1,692,000	+\$319,575	18.9%	\$461,000

PRO FORMA

LINE	AMOUNT
Gross revenue — sale price (comps: 909 Oberlin Rd 2026 new construction \$476/SF; Budleigh 2026 resales \$448–452/SF)	\$1,692,000
Land acquisition + closing (~2%)	(\$488,580)
Construction — builder cost (3,600 SF × \$140/SF luxury grade)	(\$504,000)
Home On builder margin (20% intro rate; standard 30%)	(\$126,000)

LINE	AMOUNT
Site development / utility connections + grading (incl. 20% margin)	(\$37,500)
Contingency (10% of construction, AT COST — typically returned if unused)	(\$50,400)
Construction loan closing + carry (1.5% closing + 10% APR, 9-month build, avg 50% drawn)	(\$47,505)
Selling costs (~7%) — paid at sale closing, not out-of-pocket	(\$118,440)
NET PROFIT TO INVESTOR	~\$319,575 · 18.9% margin · 91.5% cash-on-cash upside at \$500/SF: ~\$420,015 · 23.3% margin · 120% COC

ARV support: 414 Yarmouth Rd (Budleigh) sold Jun 2026 \$452/SF; 1510 Canterbury Rd sold Apr 2026 \$448/SF; 909 Oberlin Rd (adjacent area) active 2026 new construction \$476/SF — new-build commands a premium over resale. Modeling \$470/SF for a 2027 delivery on this CCC-facing address. MAO \$461,000 — asking price \$479,000 is \$18k over; offer \$455–461k for clean 20%+ margin at base ARV.

DILIGENCE GATES

GO: Public water/sewer confirmed; lot cleared and surveyed; R-6 zoning in place; basement potential noted; no HOA visible; adjacent Copper Builders new construction confirms luxury market demand.

VERIFY: Pull Wake County GIS parcel map — confirm lot dimensions and R-6 setbacks support 3,600+ SF footprint; verify no recorded deed restrictions or historic overlay in Budleigh; soil/bearing test for basement feasibility; confirm listing is still active (last updated Aug 7, 2026).

STOP: If recorded covenants restrict height, design, or builder selection; if setback math limits buildable SF below 3,000; if environmental or easement issues discovered on parcel.

VERDICT

Strong GOOD — take this one seriously. Offer \$455–461k and build a 3,600 SF luxury home for an investor: net ~\$338k (20% margin, ~97% COC). At \$479k ask you still net ~\$320k (18.9% margin, 92% COC) — the \$18k premium over MAO is recoverable with modest ARV improvement or if comps run toward the \$476/SF Oberlin Rd new-construction comp. At \$500/SF upside: \$420k net, 23.3% margin, 120% COC. Home On builds at \$140/SF luxury cost; investor sees \$630k construction price, \$37,500 site dev, and keeps the \$50,400 contingency if unused. This address — Budleigh, across from CCC, adjacent confirmed custom builds — is exactly the product that trades at a premium in this market.